(d) if so, why Government have not so far upheld, defend and indicate its policies on natural gas?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA): (a) and (b) The Government exercises powers regarding pricing and commercial utilization of natural gas produced in accordance with provisions of the PSCs signed between the Government and the Contractor under the New Exploration Licensing Policy (NELP). The PSC provide for a Gas Utilization Policy to be formulated by the Government.

(c) and (d) The Government constituted an Empowered Group of Ministers (EGoM) to decide issues regarding pricing and commercial utilization of natural gas produced under NELP. Government intervened in the case between M/s. RNRL and M/s. RIL in hon'ble High Court of Bombay. Government has also filed an SLP in the Hon'ble Supreme Court on the same issue.

As per PSC, the pricing formula/basis has to be approved by the Government. RIL had sent a proposal to Government for approval of price of US $ 2.34 per mmbut to RNRL, which was not approved as it was not based on an arms-length transaction.

Profit sharing formula in petroleum

3302. SHRI VIRENDRA BHATIA:
SHRI NAND KISHORE YADAV:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government has approved the price formula/basis for the valuation of its share in profit of petroleum in case of long term gas sale and purchase agreements;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA): (a) to (c) Production Sharing Contract (PSCs) provide for sale of all natural gas by the contractor from the contract area at arms-length prices to the benefits of parties to the Contract. Further, the PSC provides that the formula or basis on which the prices shall be determined shall be approved by the Government prior to sale of natural gas to the consumers/buyers. Natural gas is to be sold as per the gas utilization policy/pricing policy approved by Empowered Group of Ministers (EGOM).

Price formula of KG Basin gas

3303. SHRI VIRENDRA BHATIA:
SHRI NAND KISHORE YADAV:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the price formula approved by Government for KG Basin takes into consideration that the gas sale price could be different for spot contracts from the gas sale price

for short term contracts and that the gas sale price for short term contracts could be different from gas sale for long term contracts;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA): (a) to (c) The Production Sharing Contract (PSC) provides for pricing of gas on the basis of sales on competitive arms Length principles. The formula or basis on which the prices shall be determined is required to be approved by the Government prior to sale of Natural gas to consumers/buyers. The price obtained from the basis/formula comes to US $ 4.2 per MMBTU for crude oil price equal or greater then US $ 60 per barrel.

CNG use in Gujarat

3304. SHRI PRAVEEN RASHTRAPAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether any proposal has been received from the Gujarat Government for use of CNG in motor vehicles in the State;

(b) if so, the status of this proposal;

(c) whether the proposal is environment friendly; and

(d) if so, why there is a delay in accepting the legislation proposed by the State?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA): (a) and (d) Use of Compressed Natural gas (CNG) is encouraged throughout the country, including in the State of Gujarat, for *Inter alia* environmental considerations. In the State of Gujarat, CNG is presently being supplied in cities/towns of Anand, Baidhana, Bharuch, Bhilad, Chankeda, Chikhali, Chotila, Wankaner, Ahmedabad, Dakor, Dhaban, Dhegam, Dhrampur, Gandhinagar, Godhra, Holol, Hazira, Kalol, Khambhat, Khathlal, Morbid, Nadiad, Nar, Navsari, Padra, Palanpur, Pardi, Petlad, Rajkot, Sarigam, Sidhpur, Tankara, Umreth, Unjha, Valsad, Vapi, Surat, Ankleshwar, Kim Bardoli and Palej. Expansion of City Gas Distribution (CGD) network in new cities/towns/areas in the country, including in Gujarat, would require authorization by Petroleum and Natural Gas Regulatory Board (PNGRB) under the provisions of PNGRB Act, 2006.

Transparent gas cylinders

†3305. SHRI AMIR ALAM KHAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is proposed to use transparent gas cylinders in place of opaque gas cylinders used for domestic purpose;

(b) if so, the details thereof;

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†Original notice of the question was received in Hindi.